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## EFFECTS OF THE EXISTENCE OF THE CASTRO GOVERNMENT ON LATIN AMERICA, THE UNITED STATES AND THE USSR OVER THE PAST YEAR

## Latin America and the United States

During the past year, the existence of the Castro Government remained a threat to the peace and security of the Hemisphere, albeit of somewhat diminishing proportions. The major elements of this threat have been: 1) the example of a successful revolution in this hemisphere; 2) the demonstration that it is possible to assume an attitude hostile to the United States and survive; 3) the personal appeal of Castro as a great nationalist revolutionary; 4) the existence of a Latin American cadre and reservoir of communists to promote Soviet aims; 5) a physical base for the export of ideas, agents, propaganda material, and, possibly, money and arms; and 6) the appeal to those who feel that an extreme revolutionary approach is the only effective manner of shattering obsolete social structures and achieving economic progress. The year has been marked by a trend of steady decline in the mystique of Castroism combined with keener awareness of the nature of the Castro Government on the part of Latin American governments and peoples. In a number of Latin American countries there was evidence of growing militancy against Castro/communism among the democratic sectors of political, labor and student groups.

The results of the Punta del Este meeting of Foreign Ministers demonstrated a significant evolution in the attitudes of the Latin American governments from the postures they adopted at the previous Foreign Ministers' meeting on Cuba at San Jose, Costa Rica in September 1960.

Disenchantment in Latin America with the Castro Government and with Castro as a leader stems from a variety of causes. The dismal economic scene in Cuba due in large measure to self-confessed mismanagement, the continued suppression of civil rights including renewed executions of members of the opposition, and Castro's open espousal of Marxism-Leninism have combined to present an unattractive communist model to the Hemisphere. The presence of such a communist state nearby has enabled United States representatives in the Hemisphere to speak more specifically and effectively about the deceit inherent in communist propaganda and about the basic impracticability of the communist system. They are also in an enhanced position to cast doubt upon Soviet ability and/or willingness to assist Cuba substantially. At present, sympathy and support for Castro in Latin America is limited chiefly to the organised Communist parties and such radical revolutionary groups as the MIR in Venezuela. Of greatest significance has been the disillusion of the non-communist

DEPARTMENT OF STATE <sup>1960-1961</sup> Latin America, which had clung to the hope that "fidelismo" offered a new non-communist path to rapid economic and social progress.

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In many of the Latin American countries, the existence of the Castro Government was a negligible factor as far as internal political developments were concerned during the past year. In Bolivia and Ecuador, however, the existence of the Castro Government was an issue; in north-east Brasil, Guatemala, the Dominican Republic and Venezuela, and, to a lesser extent, in Argentina and Haiti, the existence of the Castro Government contributed to political unrest. In many of these instances, particularly in the case of Guatemala, it should be noted that fear of a Castro-type take-over rallied stronger and more rapid support for the government than might have otherwise been the case.

Political unrest in the Hemisphere due to the social economic climate exploited by communist and other left extremist groups clearly has existed long before the existence of the Castro Government (Castro's rise to power itself is evidence). It is difficult to measure how much of an increment the existence of the Castro Government has contributed to the unrest during the past year. In most instances, local communist and pro-Castro elements in the Hemisphere are virtually identical. In some countries, however, there has been friction between the two. Cuban propaganda directed to the Hemisphere has been heavy during the past year and a considerable number of Latin Americans have visited, studied and been trained in revolutionary methods in Cuba. Hard evidence of Cuban subversive activities, such as arms smuggling and financial assistance to dissident groups, has been difficult to obtain and to date is very limited.

The existence of the Castro Government during the past year has probably had both some negative and positive effect upon the Alliance for Progress program. Flight capital (in the several instances where it occurred) was probably due in part to fear engendered by Castroism, although recent indications are that capital flight has subsided. Nationalization of some United States investments in the Hemisphere were probably partially inspired by the Castro example and created an unfavorable climate for private investment. United States private investment in Latin America dropped off markedly and then increased, although not to the extent of reaching average annual United States investments in the Hemisphere during the past decade. Fear of a Castro-type take-over, on the other hand, has probably contributed to a greater realization on the part of the oligarchies that some orderly form of national social and economic improvement would be a preferable course.

Many Latin American governments probably hoped that the United States would have eliminated the Castro Government. That the Castro Government has continued to exist has probably been disappointing to them and may have impaired United States prestige in some quarters. Most of the nations in the Hemisphere have, however, gained a greater appreciation of the difficulty of overthrowing a well-armed communist dictatorship and regard the existence of the Castro Government more soberly today.

Whatever friction among the American states that arose from differences of opinion over the Cuban issue at Punta del Este has disappeared. An atmosphere of mutual respect and harmony has been restored to OAS deliberations. The inter-American system accepted the exclusion of Cuba from the OAS and the Punta del Este decisions are being implemented without challenge.

USSR

Two significant facts stand out about the Cuban-Soviet relationship over the past year. First, the USSR has been forced by events beyond its control and, seemingly, against its will to deepen its commitment to Cuba. Secondly, the USSR has resisted all invitations and blandishments to make an irrevocable promise to defend Cuba come what may; similarly, the Soviets have refrained from providing Cuba with military equipment such as bombers and medium-range missiles which could be easily defined by the United States as offensive weapons. Taking these facts together, we conclude (1) the Soviets will come to terms with a great range of untoward developments in Cuba rather than allow the regime to collapse because of internal failure and (2) the Soviets will continue to withhold a military commitment to Cuba of such depth as to make the cost of disengagement prohibitively high.

Ideally from the Soviet viewpoint, Cuba should have developed as a state outwardly led by nationalist revolutionaries (Castro, Guevarro et al) but actually controlled by or at least strongly influenced by the Cuban communists under the able tutelage of their Soviet peers. But during the course of the year, two events, both personally involving Fidel Castro, removed from Soviet hands the initiative in creating such a state. The first of these was Castro's December 1 speech in which he announced to the world that he had long been a Communist in disguise and that Cuba's development was already on Marxist-Leninist rails. In thus claiming to be one of the ideologically anointed, Castro cut the ground from under the "old line" communists' claim to power based on unique possession of the only correct political creed. His contention that Cuba had already started emulating the USSR model constituted a clear bid for further Soviet recognition and commitment. For a number of months the Soviets refused to accept either of these assertions and thus to accord Castro the new status he apparently sought both for himself and for his regime. In March this year, however, Castro definitively forced the Soviet hand by stemming the communist assumption of power which had been insidiously in progress since the early days of the revolution. Castro's speech of March 26 served warning on the Soviets that he was firmly in control of the situation and that the old-line communists had been defeated in their attempt to reduce him to a mere figurehead in the regime.

Presented with this fait accompli, Moscow had little choice—if it wished to keep a foothold in Cuba—other than to admit Cuba as a quasi candidate member of the bloc. Thus the Soviet May Day slogan

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published on April 15, proffered "brotherly greetings" to the Cuban people on their having "entered on the path of building socialism." Just one month later, the Soviets signed a new trade protocol with the Cubans providing for significant increases in the delivery of Soviet products--industrial items as well as large quantities of food. Further Soviet economic assistance under agreements signed August 5 and 6 seem to indicate that the Soviets have no intention at this juncture of backing out of their commitment to bail Cuba out of the economic doldrums.

The USSR now finds itself saddled with a Cuba whose direction and activities are apparently in many respects largely beyond Soviet control. The situation seriously endangers a wide range of Soviet designs. The state of the Cuban economy is a starkly negative symbol to the rest of Latin America, a drain on scarce Soviet resources, and if its present direction is not reversed, also a potential threat to the regime's existence. Castro is not only apparently unwilling to accept Soviet advice, but also harbors aspirations to leadership of the Latin American revolutionary movement. Thus, even if successful, the Cuban experiment may represent another independent center of "communist" influence, whose interests might not advance Soviet purposes. Alternatively, through too close identification with the Soviet bloc, Castro stands to lose more of his already dwindling appeal with non-communist leftist circles in the remainder of Latin America and thus greatly diminishes his usefulness to Soviet policy. Cuba's heavy economic dependence upon the Soviet Union, however, makes it unlikely that the Castro Government will stray from the Soviet sphere of influence.

For the moment, it looks as though the USSR were playing for time--in the hope that eventually improved Cuban social and economic organization and hard work, plus Soviet assistance and advice, can make the economy viable. The Soviets are probably also counting on time to erase Castro from the picture as an independent political force and to provide occasion for the Cuban communists to resume the accumulation of power which Castro arrested earlier this year. On both counts, the Soviets would appear to be taking a calculated risk, with the foreknowledge that the odds against success are considerable.

#### Conclusions

The policies and actions of the Castro Government during the past year have resulted in a diminished, nevertheless serious, threat to the peace and security of the Hemisphere. The appeal of Fidel Castro as a revolutionary leader has decreased substantially and sympathy and support for his government among left of center political groups

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in Latin America has dissipated notably. The existence of the Castro Government over the past year, however, remained testimony that a communist revolution can occur in this hemisphere, adopt an attitude hostile to the United States and survive. Cuba continues to serve the Soviet Union as a base for exporting subversion in its varied forms and still constitutes a source of supply of Latin communists as agents in the Hemisphere.

The significance of the existence of the Castro Government during the past year as a factor contributing to political unrest and unfavorable investment climate in Latin America varied from country to country. Generally, the more stable societies were less affected. As long as the serious social-economic problems continue to exist in Latin America, however, political unrest stimulated and exploited by Castro/communists could result in additional Castro-type governments.

For the USSR, the existence of the Castro Government during the past year has been a very important, although not indispensable, asset, the value of which diminished somewhat.